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| STERNE, KESSLER, GOLDSTEIN & FOX, P.L.L.C. | | | EXAMINER | |
| 1100 NEW YORK AVENUE, N.W. | | | HOLLY, JOHN H | |
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

| | | |
|------------------------------|--------------------------------------|---------------------------------------|
| Office Action Summary | Application No. 10/750,030 | Applicant(s) STANIAR ET AL. |
| | Examiner JOHN H. HOLLY | Art Unit 3694 |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If no period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED. (35 U.S.C. § 133).

Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 29 June 2009.

2a) This action is FINAL. 2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-5,8,9,11,13-15,19-28 and 30-32 is/are pending in the application.

4a) Of the above claim(s) 19 and 20 is/are withdrawn from consideration.

5) Claim(s) _____ is/are allowed.

6) Claim(s) 1-5,8,9,11,13-15,21-28 and 30-32 is/are rejected.

7) Claim(s) _____ is/are objected to.

8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All b) Some * c) None of:

1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. _____.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____

4) Interview Summary (PTO-413)
Paper No(s)/Mail Date _____

5) Notice of Informal Patent Application

6) Other: _____

DETAILED ACTION

Continued Examination Under 37 C.F.R. §1.114

1. A request for continued examination ("RCE") under 37 C.F.R. §1.114, including the fee set forth in 37 C.F.R. §1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 C.F.R. §1.114, and the fee set forth in 37 C.F.R. §1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on June 29, 2009 has been entered.

Status of Claims

2. Claims 1 – 5, 8 – 9, 11, 13 – 15, 19 – 28 and 30 – 32 are pending in the Application.

Claims 1, 4 – 5, 8 – 9, 11, 13 – 15, 21, 24 - 28 and 30 - 32 are amended in the Application.

Claims 19 and 20 has been withdrawn in the Application.

Claims 6 – 7, 10, 12, 16 – 18, 29 and 33 – 35 has been cancelled in the Application.

Claim Rejections - 35 USC § 101

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. **Claims 1 – 5, 8 – 9, 11 and 13 - 15 are rejected under 35 U.S.C. 101** because the claimed invention is not directed to statutory subject matter. Based on Supreme Court precedent, to be patent eligible under 35 U.S.C. 101 a method/process claim must (1) be tied to a particular machine or apparatus or (2) transform a particular article

into a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 70 (1972); *Diamond v. Diehr*, 450 U.S. 192 (1981); *Parker v. Flook*, 437 U.S. 589 n.9 (1978); and *Cochrane v. Deener*, 94 U.S. 780, 788 (1876)). Furthermore, the Supreme Court held that the use of a specific machine or transformation of an article must impose meaningful limits on the claim's scope to impart patentability (*Benson*, 409 U.S. 71-72). The involvement of the machine or transformation must not merely be insignificant extra-solution activity (*Flook*, 437 U.S. 590). Also see *In re Bilski*, No. 2007-1130, _F.3d_, 2008 WL4757. A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here claims 1 – 5, 8 – 9, 11 and 13 - 15 fail to meet the above requirements because the claims fail to tie in another statutory class of invention.

Claim Rejections - 35 USC § 112

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:
The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.
6. **Claim 1 is rejected under 35 U.S.C. 112, second paragraph**, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

With respect to claim 1

Claim 1 recites "on a computer, receiving from a buyer having a financial ..." "on a computer, receiving, from the buyer, an approval" "on a computer, receiving, from the seller, a request to" "on a computer, determining a second financing ..." "on a computer, providing, to the supplier...". The Examiner is unclear if the computers are one in the same or if they each are separate computers. If they are the same

computer, then after the computer is introduced in the preamble as "A computer", the others should be preceded by "the computer". The Examiner should take the computer to be the same computer. Appropriate correction is required.

With respect to claim 1

Claim 1 recites "wherein the first payment term has a corresponding first financing fee; on a computer, receiving, from the seller, a request to receive payment on the invoice on a second date corresponding to a second payment term, wherein the second payment term is shorter than the first payment term; on a computer, determining a second financing fee based on the second payment term, wherein the second financing fee is greater than the first financing fee." The Examiner is unclear if these "financing fee" that the buyer receive for payment in a shorter time should be defined as a "discount" for paying early not a "financing fee." The Examiner should take the "financing fee" to mean a "discount".

With respect to claim 1

Claim 1 recites "on a computer, receiving, from the buyer, an approval to pay the supplier's invoice using the financial account... "on a computer, receiving, from the seller, a request to receive payment on the invoice on a second date corresponding ..". The Examiner is unclear as to the interaction from the claim language that the payment from or to the buyer and seller are dealing with the same contract or invoice. Furthermore, "the seller" lacks antecedent bases. Appropriate correction is required.

Claim Objections

7. Claim 30 is objected to because of the following informalities: The dependency of claim 30 has been misnumbered. For examination purposes, the Examiner will consider claim 30 as being dependent from claim 28. Appropriate correction is required.

Misnumbered claim 30 dependency has been renumbered to reference the proper claim **[28].**

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office Action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. **Claims 1 – 5, 11, 21 – 25 and 28 are rejected under 35 U.S.C. 103(a)** as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of Moshe Benshemesh (Pub. # US 2003/0033216 A1- herein referred to as Benshemesh).

Re: Claim 1, Adrian discloses a method for processing a payment having a variable payment term from a financial account, comprising:

on a computer, receiving, from a buyer having a financial account, an identification of a supplier's invoice including an invoiced amount and a first payment term (Adrian, abstract, [0011]); on a computer, receiving, from the buyer, an approval to pay the supplier's invoice using the financial account on a first date corresponding to the first payment term, wherein the first payment term has a corresponding first financing fee (Adrian, abstract, [0014], [0050], [0056]); and on a computer, charging the buyer the invoiced amount on the first date (Adrian, [0056]).

However, Adrian does not expressly disclose a method for processing a payment having a variable payment term from a financial account, comprising:

on a computer, receiving, from the seller, a request to receive payment on the invoice on a second date corresponding to a second payment term, wherein the second payment term is shorter than the first payment term;

on a computer, determining a second financing fee based on the second payment term, wherein the second financing fee is greater than the first financing fee;

on a computer, providing, to the supplier, a payment on the second date, the payment corresponding to the second financing fee.

In a similar field of endeavor, Benshemesh discloses a method for processing a payment having a variable payment term from a financial account, comprising:

on a computer, receiving, from the seller, a request to receive payment on the invoice on a second date corresponding to a second payment term, wherein the second payment term is shorter than the first payment term

(Benshemesh, [0037], [0038]);

on a computer, determining a second financing fee based on the second payment term, wherein the second financing fee is greater than the first financing fee;

on a computer, providing, to the supplier, a payment on the second date, the payment corresponding to the second financing fee (Benshemesh, [0004], [0038]).

Therefore, the ordinary practitioner of the art at the time of the invention would have found it obvious to combine the above selected teachings of Benshemesh and Adrian with the practitioner's own knowledge in order to discloses a method on a computer, receiving, from the seller, a request to receive payment on the invoice on a second date corresponding to a second payment term, wherein the second payment term is shorter than the first payment term, determining a second financing fee based on the second payment term, wherein the second financing fee is greater than the first financing fee and providing, to the supplier, a payment on the second date, the payment corresponding to the second financing fee, motivated by the desire to provide a method for receiving immediate cash (Benshemesh, [0004]).

Re: Claim 2, Adrian discloses the method of claim 1, the financial account comprising a credit account (Adrian, [0057], [0056]).

Re: Claim 3, Adrian discloses the method of claim 2, the credit account comprising a corporate purchasing account (Adrian, [0010]).

Re: Claim 4, Adrian discloses the method of claim 1, wherein the first and second payment term each comprise a period from at least three days to at most one month from a date of the approval of the invoice (Adrian, [0015]).

Re: Claim 5, Adrian discloses the method of claim 1, wherein the first payment term is one of three days from a date of the approval of the invoice (Adrian, [0015]), fifteen days from the date of the approval of the invoice (Adrian, [0015]); and thirty days from the date of the approval of the invoice (Adrian, [0014]).

Re: Claim 11, Adrian discloses the method of claim 1, wherein the first and second financing fees are percentages of the invoiced amount, each percentage based on the corresponding payment term (Adrian, [0011]).

Re: Claim 21, Claim 21 is a product claim corresponding to method claim 1. Therefore, claim 21 is analyzed and rejected as previously discussed with respect to claim 1.

Re: Claim 22, Claim 22 is a product claim corresponding to method claim 2. Therefore, claim 22 is analyzed and rejected as previously discussed with respect to claim 2.

Re: Claim 23, Claim 23 is a product claim corresponding to method claim 3. Therefore, claim 23 is analyzed and rejected as previously discussed with respect to claim 3.

Re: Claim 24, Claim 24 is a product claim corresponding to method claim 4. Therefore, claim 24 is analyzed and rejected as previously discussed with respect to claim 4.

Re: Claim 25, Claim 25 is a product claim corresponding to method claim 5. Therefore, claim 25 is analyzed and rejected as previously discussed with respect to claim 5.

Re: Claim 28, Claim 28 is a product claim corresponding to method claim 11. Therefore, claim 28 is analyzed and rejected as previously discussed with respect to claim 11.

10. **Claims 8, 15, 26 and 32 are rejected under 35 U.S.C. 103(a)** as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of Moshe Benshemesh (Pub. # US 2003/0033216 A1- herein referred to as Benshemesh) and further in view of William C. Erbey et al. (Pub. # US 2005/0144125 A1- herein referred to as Erbey).

Re: Claim 8, Adrian in view of Benshemesh discloses the method of claim 1.

However, Adrian in view of Benshemesh does not expressly disclose the method according to claim 1, wherein the payment comprises an amount equal to the invoiced amount less (i) a flat transaction fee, (ii) a risk intermediation fee based on the invoiced amount, and (iii) the second financing fee.

In a similar field of endeavor, Erbey discloses the method according to claim 1, wherein the payment comprises an amount equal to the invoiced amount less (i) a flat transaction fee, (ii) a risk intermediation fee based on the invoiced amount, and (iii) the second financing fee (Erbey, [0040], [0114], [0115], [0117]).

In light of the teaching of Erbey, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Benshemesh wherein the payment comprises an amount equal to the invoiced amount

less (i) a flat transaction fee, (ii) a risk intermediation fee based on the invoiced amount, and (iii) the second financing fee as recited in claim 1.

This modification would provide a method for tracking and paying vendors based on accounts payable batch for the gross amount due to the vendor using an ACH system. The payments are scheduled based on an approved remittance cycle to each vendor.

Re: Claim 15, Adrian in view of Benshemesh discloses the method of claim 8, the risk intermediation fee comprising a first percentage of the invoiced amount, the second financing fee comprising a second percentage of the invoiced amount, wherein the second percentage is greater than the first percentage (Adrian, [0048]).

Re: Claim 26, Claim 26 is a product claim corresponding to method claim 8. Therefore, claim 26 is analyzed and rejected as previously discussed with respect to claim 8.

Re: Claim 32, Claim 32 is a product claim corresponding to method claim 15. Therefore, claim 32 is analyzed and rejected as previously discussed with respect to claim 15.

11. Claims 9 and 27 are rejected under 35 U.S.C. 103(a) as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of Moshe Benshemesh (Pub. # US 2003/0033216 A1- herein referred to as Benshemesh)and further in view of William C. Erbey et al. (Pub. # US 2005/0144125 A1- herein referred to as Erbey) and further in view of William Roland Hartley-Urquhart (Pat. # US 6,167,385 – herein referred to as Hartley-Urquhart).

Re: Claim 9, Adrian in view of Benshemesh / Erbey discloses the method of claim 8.

However, Adrian in view of Benshemesh / Erbey does not disclose the method of claim 8, wherein the risk intermediation fee comprising ten basis points of the invoiced amount.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 8, wherein the risk intermediation fee comprising ten basis points of the invoiced amount (Hartley-Urquhart, col. 6, lines 4 - 25).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Benshemesh / Erbey wherein the risk intermediation fee comprising ten basis points of the invoiced amount as recited in claim 9.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

Re: Claim 27, Claim 27 is a product claim corresponding to method claim 9. Therefore, claim 27 is analyzed and rejected as previously discussed with respect to claim 9.

12. Claims 13 – 14 and 30 - 31 is rejected under 35 U.S.C. 103(a) as being obvious over Alexandra J. Adrian (Pub. # US 2005/0027654 A1 – herein referred to as Adrian) in view of Moshe Benshemesh (Pub. # US 2003/0033216 A1- herein referred to as Benshemesh) and further in view of William Roland Hartley-Urquhart (Pat. # US 6,167,385 – herein referred to as Hartley-Urquhart).

Re: Claim 13, Adrian in view of Benshemesh discloses the method of claim 11.

However, Adrian in view of Benshemesh does not disclose the method of claim 11, each percentage being between eighty basis points and zero basis points.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 11, each percentage being between eighty basis points and zero basis points
(Hartley-Urquhart, cols. 2, lines 66 - 67).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Benshemesh wherein, each percentage being between eighty basis points and zero basis points as recited in claim 13.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

Re: Claim 14, Adrian in view of Benshemesh discloses the method of claim 11.

However, Adrian in view of Benshemesh does not disclose the method of claim 11, each percentage comprising one of: zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term.

In a similar field of endeavor, Hartley-Urquhart disclosed the method of claim 11, each percentage comprising one of." zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term (Hartley-Urquhart, cols. 6, lines 12 - 25).

In light of the teaching of Hartley-Urquhart, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Adrian in view of Benshemesh wherein, each percentage comprising one of: zero basis points for a thirty day payment term, forty basis points for a fifteen-day payment term, and eighty basis points for a three-day payment term as recited in claim 14.

This modification would provide a method for better sales, cash flow and bottom line within a short period of time. Improved cash flow and could eliminate bad debt expense and remove the unseen administrative costs related to doing business with non-paying customers.

Re: Claim 30, Claim 30 is a product claim corresponding to method claim 13. Therefore, claim 30 is analyzed and rejected as previously discussed with respect to claim 13.

Re: Claim 31, Claim 31 is a product claim corresponding to method claim 14. Therefore, claim 31 is analyzed and rejected as previously discussed with respect to claim 14.

Response to Arguments

Applicant's arguments filed with an amendment on 29 June 2009 have been fully considered but they are not persuasive. In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., "that a seller advances payment on an invoice without having to renegotiate his contract with the buyer" – See Remarks page 13, lines 9 - 11.) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN H. HOLLY whose telephone number is (571)270-3461. The examiner can normally be reached on Mon. - Fri. 8 AM to 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell can be reached on (571)272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/J. H. H./
Examiner, Art Unit 3694

/Mary Cheung/
Primary Examiner, Art Unit 3694

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